

January 23, 2018

SC Public Service Commission
101 Executive Center Drive, Suite 100
Columbia, SC 29210

RE: Order Number 2018-26; Docket Number 2017-381-A
Reporting the Impact of Tax Cuts and Jobs Act (TCJA)

We are in receipt of the above referenced Order and would like to offer the following comments:

1. At this time, we do not have full and adequate information available regarding the 2018 corporate tax rate structure from the TCJA, so we do not fully understand the impact on our utility. The IRS has not even posted this information to their website.
2. The most recent fiscal year profit and loss statement should be taken into account, prior to any customer refunds or service rate adjustments being considered.
3. This would necessitate the completion of our 2017 tax returns and annual reports. That would mean that we could not make accurate calculations on this matter prior to April, 2018.
4. We therefore believe that an impact report should not be due before May or June, 2018.
5. Known and measurable increases to the utility's cost of operations, since the establishment of our current rates, should be allowed when making calculations on the impact of the TCJA.
6. A reduction in our existing rates could cause the need for us to file a rate case. We believe the expense of the rate case, and the possibility of increased rates from that, will cost the customers more, and will therefore reduce or eliminate any savings they might see from the income tax rate reduction. Furthermore, the Commission should consider the impact of numerous utilities filing at once for rate increase cases.
7. The administrative cost for a utility to provide refunds should be taken into account as well. If the costs exceed the amount of the refunds, the utility should not be required to make refunds.
8. If a refund or credit is ordered, it should not cause the utility's operating margin to fall below the operating margin most recently approved by the Commission.
9. We respectfully request the right to be heard on any proposed reporting requirements and feel that all regulated utilities should have that same right.

Respectfully submitted,



Susan B. Mikell
President
CUC, Inc.

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